

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2221 - HB 2306

February 22, 2020

SUMMARY OF BILL: Deletes the requirement that local governments establish and maintain comprehensive growth plans (CGPs).

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The extent of any decrease in local expenditures associated with funding for economic and community development boards cannot reasonably be determined.

Assumptions:

- The proposed language deletes Tenn. Code Ann. Title 6, Chapter 58 in its entirety. Pursuant to Tenn. Code Ann. § 6-58-101 through § 6-58-118, beginning September 1, 1998:
 - Cities and counties were required to appoint coordinating committees consisting of locally elected leaders who were responsible for establishment of the CGPs;
 - Considering growth within their jurisdictions over the next 20 years, the CGPs labeled urban growth boundaries, planned growth areas, and rural areas;
 - Each county was required to establish a joint economic and community development board, containing no fewer than three persons, which are required to meet at least quarterly, with activities of the board jointly funded by participating local governments; and
 - The CGPs can be amended as needed through action of the coordinating committee.
- Several local functions are governed by components of a CGP:
 - Municipalities are prohibited from annexing any territory located within another municipality's urban growth boundary;
 - New municipalities may only be created in territory approved as a planned growth area;
 - Jurisdictional boundaries of certain planning commissions may not go beyond an applicable urban growth boundary;
 - General regional plans adopted by certain planning commissions may not be inconsistent with CGPs; and
 - Cities and counties may exercise the power of eminent domain for development of an industrial park, only with respect to property located within the jurisdictional boundaries of the city or county and urban growth boundaries.
- Removal of CGPs may result in the following:

- Disbandment of local economic and community development boards;
 - Broader areas where municipalities may annex;
 - Removal of jurisdictional boundaries where territories may incorporate; and
 - Growth in current jurisdictional boundaries of certain planning commissions;
- Expansion of locations where annexation, incorporation of territories, and jurisdictions of certain planning commissions will not alter current procedures governing such actions. Therefore, any permissive fiscal impact to local government is estimated to be not significant.
- The extent of funding provided by local governments for economic and community development boards, and if such local governments will continue to support such boards is unknown. Any decrease in local expenditures associated with no longer funding such boards cannot reasonably be determined.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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